



 UNIVERSITY OF WYOMING FOUNDATION

Financial Statements and Supplementary Information

For the Years Ended June 30, 2018 and 2017

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of financial position	3
Statements of activities	4-5
Statements of cash flows	6
Statement of functional expenses - 2018	7
Statement of functional expenses - 2017	8
Notes to the financial statements	9-27
SUPPLEMENTARY INFORMATION	
INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION	28
Schedule of investments held for the University of Wyoming	29



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
University of Wyoming Foundation
Laramie, Wyoming

We have audited the accompanying financial statements of the University of Wyoming Foundation (a nonprofit organization), a component unit of the University of Wyoming, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University of Wyoming Foundation, a component unit of the University of Wyoming, as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

As explained in Note 2, the financial statements include alternative investments whose terms range from five to ten years valued at \$258,646,195 (39.9 percent of total assets). The fair values for these investments have been provided to management by the fund managers in the absence of readily determinable fair values.

Anton Collins Mitchell LLP

Laramie, Wyoming

October 17, 2018

UNIVERSITY OF WYOMING FOUNDATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash	\$ 1,469,407	\$ 936,159
Investments (Note 2)	586,830,097	574,074,042
Funds held by others (Note 3)	-	116,249
Pledges receivable, net (Note 4)	25,962,079	33,233,607
Other receivables	3,487,737	546,225
Marian H. Rochelle Gateway Center, at cost, net of accumulated depreciation (Note 5)	26,938,994	29,879,686
Furniture and equipment, at cost, net of accumulated depreciation (Note 5)	<u>3,421,420</u>	<u>1,976,582</u>
 Total Assets	 <u>\$ 648,109,734</u>	 <u>\$ 640,762,550</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable (Note 6)	\$ 4,332,758	\$ 9,885,532
Bond interest payable	-	29,416
Gateway loan interest payable	-	32,583
High Altitude loan interest payable	217	-
High Altitude line of credit (Note 9)	720,000	-
Bond payable (Note 8)	-	2,905,000
Note payable (Note 9)	-	3,505,000
Due to others (Note 10)	<u>235,605,150</u>	<u>224,729,013</u>
 Total Liabilities	 <u>240,658,125</u>	 <u>241,086,544</u>
NET ASSETS		
Unrestricted (Note 12)	56,991,845	49,829,528
Temporarily restricted	118,869,625	133,996,025
Permanently restricted (Note 14)	<u>231,590,139</u>	<u>215,850,453</u>
 Total Net Assets	 <u>407,451,609</u>	 <u>399,676,006</u>
 Total Liabilities and Net Assets	 <u>\$ 648,109,734</u>	 <u>\$ 640,762,550</u>

See Accompanying Notes to the Financial Statements.

UNIVERSITY OF WYOMING FOUNDATION

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2018 and 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	2018 Total
SUPPORT AND REVENUE				
Contributions and State Match	\$ 8,915	\$ 12,523,362	\$ 20,370,717	\$ 32,902,994
University of Wyoming	758,775	-	12,105,086	12,863,861
Interest and dividends	1,629,146	(1,285,344)	(343,802)	-
Assessments	5,962,210	(1,044,042)	(4,918,168)	-
Net return on investments	-	1,210,832	29,923,088	31,133,920
Market decline in excess of original gifts and endowments, net	(17,357)	-	17,357	-
Change in value of charitable remainder trusts	-	-	(865,928)	(865,928)
Increase (decrease) in cash surrender value of life insurance policies	-	-	13,720	13,720
Net assets released from/applied to restrictions:				
Satisfaction of program restrictions	65,161,434	(24,026,052)	(41,135,382)	-
Permanent program restriction	3,984,109	(4,538,829)	554,720	-
Other revenue	-	2,033,673	18,278	2,051,951
Total support and revenue	77,487,232	(15,126,400)	15,739,686	78,100,518
EXPENSES				
Program services - distributions to UW	57,028,870	-	-	57,028,870
Program services - gift and investment allocation	3,999,765	-	-	3,999,765
UW President's Support	101,678	-	-	101,678
Program services - fundraising	5,500,906			5,500,906
Supporting services:				
General and administrative	3,693,696	-	-	3,693,696
Total expenses	70,324,915	-	-	70,324,915
CHANGE IN NET ASSETS	7,162,317	(15,126,400)	15,739,686	7,775,603
NET ASSETS				
Beginning of year	49,829,528	133,996,025	215,850,453	399,676,006
End of year	\$ 56,991,845	\$ 118,869,625	\$ 231,590,139	\$ 407,451,609

See Accompanying Notes to the Financial Statements.

Unrestricted	Temporarily Restricted	Permanently Restricted	2017 Total
\$ 2,100	\$ 15,350,116	\$ 17,241,718	\$ 32,593,934
860,790	-	2,589,469	3,450,259
1,345,904	(1,000,476)	(345,428)	-
5,280,871	(874,012)	(4,406,859)	-
-	1,313,679	47,485,885	48,799,564
(189,817)	-	189,817	-
-	-	(275,852)	(275,852)
-	-	(1,915)	(1,915)
57,306,794	(8,788,956)	(48,517,838)	-
(17,542)	(1,137,644)	1,155,186	-
-	819,375	58,876	878,251
<u>64,589,100</u>	<u>5,682,082</u>	<u>15,173,059</u>	<u>85,444,241</u>
50,952,357	-	-	50,952,357
3,327,554	-	-	3,327,554
84,853	-	-	84,853
5,228,414	-	-	5,228,414
<u>3,388,791</u>	-	-	<u>3,388,791</u>
62,981,969	-	-	62,981,969
1,607,131	5,682,082	15,173,059	22,462,272
<u>48,222,397</u>	<u>128,313,943</u>	<u>200,677,394</u>	<u>377,213,734</u>
<u>\$ 49,829,528</u>	<u>\$ 133,996,025</u>	<u>\$ 215,850,453</u>	<u>\$ 399,676,006</u>

UNIVERSITY OF WYOMING FOUNDATION

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 7,775,603	\$ 22,462,272
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,548,698	1,241,775
Change in value of charitable remainder trusts	865,928	275,852
Net investment return	(31,133,920)	(48,799,564)
(Increase) decrease in:		
Funds held by others	116,249	23,047
Pledges receivable	7,271,528	3,114,522
Other receivables	(2,941,512)	(172,797)
Increase (decrease) in:		
Accounts payable	(5,552,774)	5,485,228
Accrued interest payable	(61,782)	(13,604)
Due to others	<u>10,876,137</u>	<u>2,974,925</u>
Net cash from operating activities	<u>(11,235,845)</u>	<u>(13,408,344)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(52,844)	(30,602)
Purchases of investments	(82,246,993)	(139,115,067)
Proceeds from sales of investments	<u>99,758,930</u>	<u>154,584,543</u>
Net cash from investing activities	<u>17,459,093</u>	<u>15,438,874</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance on line of credit	720,000	-
Principal payments for bond and note payable	<u>(6,410,000)</u>	<u>(2,400,000)</u>
Net cash from financing activities	<u>(5,690,000)</u>	<u>(2,400,000)</u>
NET CHANGE IN CASH	533,248	(369,470)
CASH, beginning of year	<u>936,159</u>	<u>1,305,629</u>
CASH, end of year	<u>\$ 1,469,407</u>	<u>\$ 936,159</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	<u>\$ 156,217</u>	<u>\$ 325,725</u>
NON-CASH INVESTING ACTIVITIES		
Reduction of vehicle lease obligations	<u>\$ -</u>	<u>\$ 8,567</u>

See Accompanying Notes to the Financial Statements.

UNIVERSITY OF WYOMING FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2018

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Total</u>
	<u>Fund Raising</u>	<u>General and Administrative</u>	
Salaries	\$ 3,192,141	\$ 672,223	\$ 3,864,364
Employee benefits	1,455,573	340,087	1,795,660
Total salaries and employee benefits	<u>4,647,714</u>	<u>1,012,310</u>	<u>5,660,024</u>
Communications	88,966	49,547	138,513
Contractual services	61,694	88,844	150,538
Donor functions	79,978	2,402	82,380
Equipment and data processing	144,746	135,768	280,514
Printing and duplication	184,854	17,675	202,529
Professional development	29,567	5,516	35,083
Recognition	8,245	2,517	10,762
Supplies	7,956	19,734	27,690
Travel	247,186	9,361	256,547
Directors meeting expenses	-	75,328	75,328
House maintenance	-	63,147	63,147
Insurance	-	70,931	70,931
Interest	-	67,880	67,880
Investment council fees	-	458,750	458,750
Legal fees	-	18,080	18,080
Tax Expense	-	10,671	10,671
Transformational gift travel	-	36,537	36,537
Subtotal	<u>853,192</u>	<u>1,132,688</u>	<u>1,985,880</u>
Total expenses before depreciation	5,500,906	2,144,998	7,645,904
Depreciation	-	1,548,698	1,548,698
Total Expenses	<u>\$ 5,500,906</u>	<u>\$ 3,693,696</u>	<u>\$ 9,194,602</u>

See Accompanying Notes to the Financial Statements.

UNIVERSITY OF WYOMING FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2017

	<u>Program Services</u>	<u>Supporting Services</u>	
	<u>Fund Raising</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries	\$ 3,186,582	\$ 752,475	\$ 3,939,057
Employee benefits	1,285,338	364,013	1,649,351
Total salaries and employee benefits	<u>4,471,920</u>	<u>1,116,488</u>	<u>5,588,408</u>
Communications	91,172	46,820	137,992
Contractual services	49,445	82,914	132,359
Donor functions	60,260	973	61,233
Equipment and data processing	129,710	62,353	192,063
Printing and duplication	157,435	23,638	181,073
Professional development	18,067	5,224	23,291
Recognition	320	1,139	1,459
Supplies	6,128	31,383	37,511
Travel	243,957	7,580	251,537
Directors meeting expenses	-	41,739	41,739
House maintenance	-	31,952	31,952
Insurance	-	65,067	65,067
Interest	-	146,124	146,124
Investment council fees	-	425,000	425,000
Legal fees	-	31,579	31,579
Transformational gift travel	-	27,043	27,043
Subtotal	<u>756,494</u>	<u>1,030,528</u>	<u>1,787,022</u>
Total expenses before depreciation	5,228,414	2,147,016	7,375,430
Depreciation	<u>-</u>	<u>1,241,775</u>	<u>1,241,775</u>
Total Expenses	<u>\$ 5,228,414</u>	<u>\$ 3,388,791</u>	<u>\$ 8,617,205</u>

See Accompanying Notes to the Financial Statements.

UNIVERSITY OF WYOMING FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies

Nature of Activities and Organization

The University of Wyoming Foundation is an independent not-for-profit organization established for the purpose of obtaining contributions for the benefit of the University of Wyoming and the management of the related investments in accordance with donor directions. The Foundation and the University of Wyoming Institutional Advancement Office cooperate significantly and utilize common staff in performing the fund raising activities and management of investments. Accordingly, the Foundation's financial statements present the shared budget expenditures and recognize as support the University of Wyoming's contribution to the shared budget.

Basis of Accounting

These financial statements, which are presented on the accrual basis of accounting, have been prepared to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by classification of net assets and transactions into three classes – permanently restricted, temporarily restricted, or unrestricted as follows:

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donor of these assets permits the Foundation to use all or part of the income earned on related investments for general or specific purposes in support of the University.

Temporarily restricted net assets – net assets subject to donor-imposed stipulations that may or will be met by actions of the Foundation and/or the passage of time.

Unrestricted net assets – net assets which represent resources generated from operations or that are not subject to donor-imposed stipulations. In general, the unrestricted net assets of the Foundation may be used at the discretion of the Foundation's management and board of directors to support the Foundation's purposes, operations and mission.

Contributions, including unconditional promises to give, are recognized as revenues in the period the promise was made. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

NOTES TO FINANCIAL STATEMENTS

Income and realized and unrealized gains on investments of permanently restricted net assets are reported as follows:

- as increases in permanently restricted net assets if the terms of the gift or the Foundation's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund;
- as increases in temporarily restricted net assets if the terms of the gift impose restrictions on their use;
- as increases in unrestricted net assets in all other cases.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

The Foundation's investments are invested in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rates, and market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the Foundation's financial statements.

Another estimate that is particularly susceptible to significant change in the near term relates to the allowance for uncollectible pledges.

During the year ended June 30, 2018, the Foundation noted that certain property and equipment assets should have had shorter estimated lives than originally estimated. As a result, effective July 1, 2017, the Foundation changed its estimates of useful lives of these assets to better reflect the estimated periods during which these assets will remain in service. The estimated useful lives of these assets that previously was 39 years were determined to be 5, 7, and 15 year lives.

Cash

Cash includes depository account balances other than those held temporarily as part of the long-term investment portfolio.

NOTES TO FINANCIAL STATEMENTS

Property and Equipment

The Foundation follows the practice of capitalizing all major expenditures from Foundation funds for buildings, office equipment and equipment. Additions are recorded at cost, or if donated, at fair market value at the time of donation. Buildings and equipment are depreciated by the straight-line method using the following estimated service lives:

	<u>Years</u>
Building	35-39
Office equipment	7-15
Office furniture	5-15

Fair Value Investments

The Foundation utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. Fair value measurements are categorized as Level 3 when a significant amount of price or other inputs that are considered to be unobservable are used in their valuations. The three levels of the fair value hierarchy are as follows:

Level 1 – Pricing inputs are quoted prices in active markets for identical assets or liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include actively traded equities, certain U.S. government and sovereign obligations, and certain money market securities.

Level 2 – Pricing inputs are other than quoted prices in active markets for identical assets, but the inputs are either directly or indirectly observable. Quoted prices are available but the assets are traded less frequently and thus valuation is accomplished using similar securities, the parameters of which can be directly observed. Also included in Level 2 are investments measured using a net asset value (“NAV”) per share, or its equivalent, that may be redeemed at that NAV at the date of the statement of financial position or in the near term, which is generally considered to be within 90 days.

NOTES TO FINANCIAL STATEMENTS

Investments classified as Level 2 trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These generally include certain U.S. government and sovereign obligations, most government agency securities, investment grade corporate bonds, certain mortgage products, certain bank loans and bridge loans, less liquid listed equities, state, municipal and provincial obligations, most physical commodities and certain loan commitments. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, calculations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Level 3 – Pricing inputs are not observable in the market. Thus valuation is accomplished using management’s best estimate of fair value, with inputs into the determination of fair value that require significant management judgment or estimation. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that can never be redeemed at the NAV or for which redemption at NAV is uncertain due to lockup periods or other investment restrictions.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 instruments include private equity and real estate investments, certain bank loans and bridge loans, less liquid corporate debt securities (including distressed debt instruments), collateralized debt obligations, and less liquid mortgage securities (backed by either commercial or residential real estate).

Pledges

All unconditional pledges to give are recorded at their estimated realizable value on a discounted basis.

NOTES TO FINANCIAL STATEMENTS

Split Interest Agreements and Perpetual Trusts

The Foundation accepts gifts subject to split interest agreements. These gifts may be in the form of annuities, charitable lead trusts, or charitable remainder trusts. At the time of receipt, a gift is recorded based upon the fair value of assets donated less any applicable liabilities. Liabilities include the present value of projected future distributions to the annuity or trust beneficiary and are determined using appropriate discount rates. For certain split interest agreements where the measurement objective is fair value, the discount rate is adjusted to a current market rate at each reporting date. The gift portion of net assets subject to split interest agreements are classified as temporarily restricted or permanently restricted based upon donor designations.

Recently Issued Accounting Pronouncements

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statement of Not-for-Profit Entities*. The amendment applies to not-for-profit entities. The amendment reduces the classes of net assets to *net assets with donor restrictions* and *net assets without donor restrictions*; removes the reconciliation of cash flows to the indirect method if using the direct method; requires the reporting of investment returns, net of expenses, with no disclosure of netted expenses required; requires the use, in the absence of explicit donor stipulations, of the placed-in-service approach for reporting expirations of restrictions on cash or other asset donations and requires disclosure of expenses by both their natural and functional classification on the face of the statement of activities, as a separate statement, or in the notes to the financial statements. In addition, the amendment provides enhanced disclosures on amounts and purposes of board designations and appropriations, composition of net assets with donor restrictions, discussion of liquidity for the year following year-end, discussion of liquidity of financial assets at year-end, methodology used to allocate costs between program and support functions, and underwater endowment funds. The amendment is effective for all fiscal years beginning after December 15, 2017 with early adoption allowed. Entities should apply the amendment in this update retrospectively to all periods presented. The Foundation is currently evaluating the impact of the pending adoption of this new standard on the financial statements.

Income Taxes

The Foundation is an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is generally not subject to federal income taxes. Contributions to the Foundation are deductible for tax purposes by the donor, subject to the normal limitations imposed by the taxing authorities. However, the Foundation is subject to income taxes on any net income that is derived from a trade or business, regularly carried on, and not in furtherance of the purposes for which it was granted exemption.

NOTES TO FINANCIAL STATEMENTS

No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the basic financial statements taken as a whole.

In accordance with ASC (Accounting Standards Codification) 740 Income Taxes (formerly FASB Interpretation 48, Accounting for Uncertainty in Income Taxes) the Foundation currently recognizes the effect of income tax positions only if such positions are probable of being sustained. The Foundation's tax years subject to examination by the U.S. Federal, state and local tax authorities are for the fiscal years ending June 30, 2018, 2017, 2016, and 2015, respectively.

Liquidity

Assets are presented according to their nearness to cash and liabilities are presented according to their nearness of payment or use of cash.

Statement of Functional Expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

No events have occurred subsequent to the statement of financial position date and through the date of the report, October 17, 2018, that would require adjustment to, or disclosure in, the financial statements.

Note 2. Investments

The Foundation, the Cowboy Joe Club, the Associated Students of the University of Wyoming (ASUW), and the University endowments are participants in a joint venture whereby certain assets are pooled for investment purposes. The Foundation manages the assets of the pool and maintains separate accounts for each participant. Investment income, gains, and losses and expenses of the pool are allocated to each participant based on their share of ownership of the pool. At June 30, 2018 and 2017, approximately 88% and 82%, respectively, of the total investments are included in the pool.

NOTES TO FINANCIAL STATEMENTS

Investments are summarized as follows at June 30, 2018:

Level 1	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Money market funds	\$ 13,663,790	\$ 14,215,479	\$ 551,689
Corporate bonds	57,555,437	57,286,328	(269,109)
Fixed income	107,053,668	103,680,995	(3,372,673)
Government obligations	326,621	328,758	2,137
Corporate stocks	117,526,520	152,558,958	35,032,438
	<u>\$ 296,126,036</u>	<u>\$ 328,070,518</u>	<u>\$ 31,944,482</u>
			Unrealized Appreciation/ (Depreciation)
Level 2	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Event driven hedge funds	\$ 2,918,233	\$ 7,338,932	\$ 4,420,699
Global hedge funds	30,000,000	27,549,981	(2,450,019)
Insurance	113,384	113,384	-
International equity	34,142,564	45,542,651	11,400,087
Long/short hedge funds	26,781,261	41,801,502	15,020,241
Real estate	3,336,000	3,355,473	19,473
	<u>\$ 97,291,442</u>	<u>\$ 125,701,923</u>	<u>\$ 28,410,481</u>
			Unrealized Appreciation/ (Depreciation)
Level 3	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Other	\$ 430,703	\$ 430,703	\$ -
Liquidating	4,376,502	10,144,896	5,768,394
Fixed income hedge funds	14,199,733	18,625,805	4,426,072
Multi-strategy hedge funds	8,235,355	11,163,305	2,927,950
Private equity funds	76,179,384	92,692,947	16,513,563
	<u>\$ 103,421,677</u>	<u>\$ 133,057,656</u>	<u>\$ 29,635,979</u>
			Unrealized Appreciation/ (Depreciation)
Combined Total	<u>\$ 496,839,155</u>	<u>\$ 586,830,097</u>	<u>\$ 89,990,942</u>

NOTES TO FINANCIAL STATEMENTS

Investments are summarized as follows at June 30, 2017:

Level 1	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Money market funds	\$ 14,236,075	\$ 14,040,850	\$ (195,225)
Corporate bonds	91,239,342	91,180,035	(59,307)
Fixed income	59,910,235	60,554,396	644,161
Government obligations	350,866	351,326	460
Corporate stocks	135,762,627	159,861,815	24,099,188
	<u>\$ 301,499,145</u>	<u>\$ 325,988,422</u>	<u>\$ 24,489,277</u>
			Unrealized Appreciation/ (Depreciation)
Level 2	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Event driven hedge funds	\$ 5,000,000	\$ 9,092,804	\$ 4,092,804
Global hedge funds	30,000,000	28,785,404	(1,214,596)
Insurance	114,710	114,710	-
International equity	6,942,252	12,050,793	5,108,541
Long/short hedge funds	38,443,762	59,578,563	21,134,801
Multi-strategy hedge funds	-	646,794	646,794
Real estate	3,387,500	3,406,973	19,473
	<u>\$ 83,888,224</u>	<u>\$ 113,676,041</u>	<u>\$ 29,787,817</u>
			Unrealized Appreciation/ (Depreciation)
Level 3	Carrying Value	Market Value	Unrealized Appreciation/ (Depreciation)
Other	\$ 8,803	\$ 8,806	\$ 3
Liquidating	1,560,239	6,425,929	4,865,690
Event driven hedge funds	-	889,067	889,067
Fixed income hedge funds	14,199,733	18,365,074	4,165,341
Long/short hedge funds	13,714,625	19,672,629	5,958,004
Multi-strategy hedge funds	10,430,244	15,528,893	5,098,649
Private equity funds	50,732,738	73,519,181	22,786,443
	<u>\$ 90,646,382</u>	<u>\$ 134,409,579</u>	<u>\$ 43,763,197</u>
			Unrealized Appreciation/ (Depreciation)
Combined Total	<u>\$ 476,033,751</u>	<u>\$ 574,074,042</u>	<u>\$ 98,040,291</u>

NOTES TO FINANCIAL STATEMENTS

There were reclassifications of funds that have declared intent to dissolve during the fiscal year from their previous categories into liquidating.

The Foundation has invested in alternative investments defined as hedge funds, private equity, and other investments for which the fair market value is not readily attainable.

The fair market values for these types of investments have been obtained through alternative means. The Foundation has implemented procedures to evaluate and monitor the investment values and the performance of the funds.

The following table summarizes the changes in value of Level 3 investments for the fiscal year ended June 30, 2018:

	Liquidating and Other	Event and Fixed Income Hedge	Long/Short Hedge	Multi-Strategy Hedge	Private Equity and Real Assets	Total
Balance as of June 30, 2017	\$ 6,434,735	\$ 19,254,141	\$ 19,672,629	\$ 15,528,893	\$ 73,519,180	\$ 134,409,578
Purchases	-	-	-	-	29,922,122	29,922,122
Sales	(12,353,476)	(939,320)	(8,506,569)	(198,803)	(18,244,053)	(40,242,221)
Reclassification	15,604,245	-	(11,167,041)	(4,437,205)	-	(1)
Realized gains and income	6,459,028	939,320	1,506,569	-	13,768,581	22,673,498
Unrealized gains (losses)	(5,568,933)	(628,336)	(1,505,588)	270,420	(6,272,883)	(13,705,320)
Total Level 3 investments	<u>\$ 10,575,599</u>	<u>\$ 18,625,805</u>	<u>\$ -</u>	<u>\$ 11,163,305</u>	<u>\$ 92,692,947</u>	<u>\$ 133,057,656</u>

NOTES TO FINANCIAL STATEMENTS

The major categories of Level 2 and Level 3 investments are summarized as follows at June 30, 2018:

Category	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Event Driven Hedge Funds (a)	\$ 7,338,932	\$ -	Quarterly to Annually	65 day notice
Fixed Income Hedge Funds (b)	18,625,805	-	Quarterly to Annually	60 days to 90 days
Global Macro Hedge Funds (c)	27,549,981	-	Quarterly to Annually	30 days to 90 days
International Equity (d)	45,542,651	-	Quarterly to Annually	30 days
Liquidating and Other (e)	10,575,599	-	N/A	N/A
Long/Short Hedge Funds (f)	41,801,502	-	Monthly to Every 3 Years	30 days to 60 days
Multi-Strategy Hedge Funds (g)	11,163,305	-	Quarterly to Annually	45 days to 180 days
Private Equity and Real Assets (h)	<u>96,048,420</u>	<u>132,896,928</u>	N/A	N/A
	<u>\$ 258,646,195</u>	<u>\$ 132,896,928</u>		

(a) This category includes investments in hedge funds that focus on a range of events. These events include Activist; Distressed – Non-Control; Long-Short Credit; Long-Short Equity; and Merger (Risk) Arbitrage. These funds have limited transparency and the valuations have been estimated using the practical expedient provided by the manager. The term for these investments ranges from 60 to 90 days.

(b) Fixed income investments include hedge funds that tend to focus on mispricing within credit instruments. The investments have limited transparency to underlying securities. The investments are valued using significant unobservable inputs. Appropriate due diligence is performed to rely on the manager’s NAV as a practical expedient for fair value. The term for these investments ranges from 60 to 90 days.

NOTES TO FINANCIAL STATEMENTS

(c) This category includes investments in hedge funds that focus on macroeconomic conditions, speculating on the direct effect of interest rates, currencies, precious metals, commodities, and indices, often utilizing various degrees of leverage. The valuations have been estimated using the practical expedient provided by the manager. The term for these investments ranges from 30 to 90 days.

(d) This category includes investments in funds that focus on long-only international equities. The underlying assets are liquid, and the fund's managers provide details of those assets. As of June 30, 2018, all the investments in the category can be redeemed with no restrictions.

(e) This category consists of six investments that are liquidating the assets remaining in the portfolios. The assets consist of one event driven hedge fund, two multi-strategy hedge funds, and three long/short equity hedge funds. As of June 30, 2018, the fair values of the investments have been estimated using the practical expedient provided by the investment manager. The managers currently have no clarity on a timetable for the conclusion of the funds.

(f) This category includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stakes, and from a net long position to a net short position. The investments contain exposure in the U.S. market, but will also take advantage of investment opportunities in Europe, Asia and emerging markets. The fair values of the investments in this category have been estimated using the net asset value per share of the investments. As of June 30, 2018, all of the lock-up periods have expired for these investments. However, some of the investments have terms that make full liquidity unavailable at the Foundation's report date.

(g) This category includes a multi-strategy investment focused on analyzing the probability-adjusted returns of individual securities and assets and capturing the alpha in mispriced assets/securities across conventional and alternative financial strategies. Management initiates long and short positions targeting solid absolute risk-adjusted returns. The fair values of the investments in this category have been estimated using the net asset value per share of the investments. As of June 30, 2018, all lock-up periods have expired. However, some of the investments have terms that make full liquidity unavailable at the Foundation's report date.

NOTES TO FINANCIAL STATEMENTS

(h) This category includes several private equity and real assets funds that focus on buyout, growth equity and/or distressed debt. These investments are not redeemable. Instead, the nature of the investments in this category is that distributions are received through the liquidation of the underlying assets in the fund. The term for these investments ranges from 5 to 10 years. As of June 30, 2018, the fair values of the investments in this category have been estimated using the practical expedient provided by the investment manager.

The components of investment return for the years ended June 30, 2018 and 2017 follows:

	2018	2017
Dividends and interest	\$ 6,394,200	\$ 3,946,422
Net realized gains	34,668,880	17,927,995
Net unrealized appreciation (loss)	(4,029,925)	32,773,334
Investment management fees	(5,899,235)	(5,848,187)
Total investment return	31,133,920	48,799,564
Gross endowment distribution (operating)	(18,295,213)	(17,873,002)
Net investment return (nonoperating)	\$ 12,838,707	\$ 30,926,562

The Foundation has entered into various split interest agreements, including charitable lead annuity trusts, charitable remainder unitrusts, and charitable gift annuities; whereby the Foundation serves as trustee. The assets held under these split interest agreements are included in investments at June 30, 2018 and 2017 with a fair value of \$10,947,448 and \$11,879,159, respectively.

The Foundation holds various investments related to startup companies. No cash was paid for these investments, as they were obtained as consideration in exchange for the use of University facilities and personnel, as well as licensing considerations. The investments are held on behalf of, and in trust for, the University of Wyoming. Due to the nature of these investments and their underlying businesses, it would be impractical to perform or ascertain a business valuation as of June 30, 2018, and therefore, no value has been assigned to these investments as of June 30, 2018. The Foundation is entitled to custodial fees ranging from 1.0% to 2.0% of all future dividends, distributions, or other cash or assets derived from these investments, with the remainder being transferred to the University of Wyoming.

Note 3. Funds Held by Others

The funds held by others consist of University of Wyoming – Division of Student Loans. The funds were converted into scholarships during the fiscal year ended June 30, 2018. The amounts as of June 30, 2018 and 2017 was \$0 and \$116,249, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 4. Pledges Receivable

Pledges receivable represent promises to give which have been made by donors but have not yet been received by the Foundation. Pledges which will not be received in the subsequent year have been discounted using an estimated rate of return which could be earned if such contributions had been made in the current year.

Due to the nature of these pledges, significant increases and decreases in net assets may occur. These significant fluctuations can arise as contributions are recognized as support in the fiscal period in which they are pledged, but the expenses incurred with such contributions occur in a different fiscal period. Total promises to give were as follows at June 30, 2018 and 2017:

	2018	2017
Due within 1 year	\$ 13,851,286	\$ 14,965,484
Due 1 to 5 years	13,380,726	20,109,858
Due 5 years and later	966,810	1,031,105
	28,198,822	36,106,447
Less allowance for uncollectible pledges	(1,373,515)	(1,795,301)
Less discount to present value	(863,228)	(1,077,539)
Total Pledges Receivable	\$ 25,962,079	\$ 33,233,607

Note 5. Building, Property and Equipment

Property and equipment consists of the following as of June 30, 2018 and 2017:

	2018	2017
Marian H. Rochelle Gateway Center	\$ 30,070,184	\$ 32,425,868
Furniture and Equipment	5,595,363	3,186,835
	35,665,547	35,612,703
Less accumulated depreciation	(5,305,133)	(3,756,435)
	\$ 30,360,414	\$ 31,856,268

During the years ended June 30, 2018 and 2017, depreciation expense of \$1,548,698 and \$1,241,775 was recognized, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 6. Accounts Payable

The current year accounts payable balance includes amounts owed to various departments and colleges of the University of Wyoming. As part of the efforts to comply with GASB No. 39 reporting in the current year, the University recorded a receivable for these amounts. The Foundation recorded a similar payable entry.

Note 7. Payroll Liabilities

Effective March 23, 2017, the University of Wyoming changed its policy regarding employee sick leave. The new policy prescribes that one-half of an employee's accrued sick leave be paid out upon separation from the University, with the payout not to exceed 480 hours. The item, "Payroll Liability Change" on the 2018 Statement of Functional Expenses represents the Foundation's increase in its accrued payroll liability as a result of this policy change. The Foundation's total accrued payroll liability as of June 30, 2018 and 2017 was \$721,207 and \$652,845, respectively, and is included in accounts payable on the Statements of Financial Position.

Note 8. Bonds Payable

The Foundation issued revenue bonds in the aggregate principal amount of \$3,700,000, pursuant to an Indenture of Trust, dated November 2007, by and between the Foundation and Wells Fargo Bank, N.A. The aggregate amount includes \$1,155,000 of serial bonds and \$2,545,000 of term bonds. The proceeds were used by the Foundation to help finance the cost of constructing and equipping the Education and Conference Center located at 22nd Street and Grand Avenue in Laramie, Wyoming. The bonds bear interest from the date of issue to maturity or earlier redemption with interest payable semiannually on May 1 and November 1 of each year. The Foundation has purchased a series of bonds that will mature as the bond payments come due. The Foundation has made all required debt payments.

Pursuant to Section 5.01 Trust Indenture, the Foundation exercised its option to call the outstanding bonds on November, 1, 2017 (the "Call Date") at a redemption price of 100%. The Foundation realized a gain of \$9,921 as a result of calling the bonds.

NOTES TO FINANCIAL STATEMENTS

Note 9. Note Payable

On April 17, 2014, the Foundation obtained a construction line of credit for the Marian H. Rochelle Gateway Center (“Gateway Center”) with a bank for up to \$10,000,000. The outstanding balance as of June 30, 2017 was \$3,505,000. In April 2018, the Foundation paid off this line of credit

On March 20, 2018 the Foundation entered into a construction line of credit agreement for the High Altitude Performance Center with a group of Wyoming banks. The loan is being administered by one bank. The maximum draw down amount is \$8,700,000. This line of credit is due March 2022 and has a fixed rate of interest of 5.5%. At June 30, 2018 The Foundation has drawn down \$720,000 on this line of credit.

Note 10. Due to Others

The Foundation acts as an investment manager for certain assets for the University of Wyoming, the Cowboy Joe Club, Associated Students of the University of Wyoming, and as trustee for several remainder trusts. The Foundation administers various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust’s terms, usually the designated beneficiary’s lifetime. The investments held on the behalf of others and the related liabilities are as follows:

	2018	2017
Cowboy Joe Club	\$ 945,337	\$ 903,844
UW - State Match	127,732,882	133,067,363
UW - Endowments	101,938,209	85,062,075
Polly Downs Education Trust	335,988	330,862
Remainder Trusts	4,652,734	5,364,869
	\$ 235,605,150	\$ 224,729,013

The portion of the trust attributable to the present value of the future benefits to be received by the Foundation is recorded in the Statement of Activities as permanently and temporarily restricted contributions in the period the trust is established. Additional contributions totaled \$25,000 and \$1,317,238 in 2018 and 2017, respectively. Assets held in the charitable remainder trusts are reported at fair market value in the Foundation’s Statement of Financial Position. On a periodic basis, as prescribed in the agreement, the Foundation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions.

The present value of the estimated future payments (\$4,652,734 and \$5,364,869 at June 30, 2018 and 2017, respectively) is calculated using discount rates of 3.4% for 2018 and 2.31% for 2017. The discounts rates used are in accordance with Internal Revenue Code section 7520(a).

NOTES TO FINANCIAL STATEMENTS

Note 11. Related Party Transactions

The Foundation is a strategic partner of the University of Wyoming and transacts with the University during the ordinary course of business. All transactions between the Foundation and the University during the years ended June 30, 2018 and 2017 were on substantially the same terms as those comparable transactions with unrelated parties.

Note 12. Net Assets

The Board designates Unrestricted Net Assets for the following purposes:

	2018	2017
Undesignated	\$ 35,665,547	\$ 32,107,703
Investments from which the income will be used to cover Foundation operating expenses or used for special Foundation projects	21,086,210	17,638,306
Other amounts held for special requests	257,445	273,336
	57,009,202	50,019,345
Reserve for market decline in excess of original gifts and endowments	(17,357)	(189,817)
Total Unrestricted	\$ 56,991,845	\$ 49,829,528

Note 13. Financial Instruments

The carrying amount reported in the statements of financial position for cash, funds held by others, other receivables, and accounts payable approximates fair value because of the immediate or short-term maturities of these financial instruments. The carrying amount of pledges receivable approximates fair value as they are presented on a discounted basis.

Note 14. Endowments

Total managed endowments at the Foundation were \$513,201,148 and \$464,269,353, respectively, at June 30, 2018 and June 30, 2017. Included in these totals were custodial endowments totaling \$214,678,964 and \$191,238,294, respectively at June 30, 2018 and June 30, 2017.

The managed endowments at June 30, 2018 consist of 1,487 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Foundation's governing board to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the governing board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTES TO FINANCIAL STATEMENTS

Interpretation of Relevant Law

The Foundation’s governing board has interpreted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”), adopted by the State of Wyoming in 2010, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor-gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Endowment Net Asset Composition by Type of Fund as of June 30, 2018:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Donor-restricted endowment funds	\$ 1,481,988	\$ 54,503,983	\$ 231,590,139	\$ 287,576,110
Underwater	(17,357)	17,357	-	-
Board-designated endowment funds	<u>10,946,073</u>	<u>-</u>	<u>-</u>	<u>10,946,073</u>
Total endowed net assets	<u>\$ 12,410,704</u>	<u>\$ 54,521,340</u>	<u>\$ 231,590,139</u>	<u>\$ 298,522,183</u>

NOTES TO FINANCIAL STATEMENTS

Changes in Endowment Net Assets for the Year Ended June 30, 2018:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Endowment net assets, beginning of year	\$ 7,990,348	\$ 49,190,258	\$ 215,850,453	\$ 273,031,059
Investment return	634,202	17,051,660	-	17,685,862
Contributions	2,500	-	12,865,539	12,868,039
Appropriation of endowment assets for expenditure	(343,802)	(9,999,729)	-	(10,343,531)
Recovery of prior year investment losses in excess of gift value	207,359	(207,359)	-	-
Manager and administrative fees	(79,903)	(2,772,736)	-	(2,852,639)
Other changes	4,000,000	1,259,246	2,874,147	8,133,393
Balance, June 30, 2018	<u>\$ 12,410,704</u>	<u>\$ 54,521,340</u>	<u>\$ 231,590,139</u>	<u>\$ 298,522,183</u>

Endowment Net Asset Composition by Type of Fund as of June 30, 2017:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Donor-restricted endowment funds	\$ 1,458,471	\$ 49,000,441	\$ 215,850,453	\$ 266,309,365
Underwater	(189,817)	189,817	-	-
Board-designated endowment funds	6,721,694	-	-	6,721,694
Total endowed net assets	<u>\$ 7,990,348</u>	<u>\$ 49,190,258</u>	<u>\$ 215,850,453</u>	<u>\$ 273,031,059</u>

Changes in Endowment Net Assets for the Year Ended June 30, 2017:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment</u>
Endowment net assets, beginning of year	\$ 5,675,680	\$ 39,806,671	\$ 200,677,394	\$ 246,159,745
Investment return	820,067	26,089,697	-	26,909,764
Contributions	-	-	10,084,101	10,084,101
Appropriation of endowment assets for expenditure	(327,617)	(9,752,358)	-	(10,079,975)
Recovery of prior year investment losses in excess of gift value	1,878,975	(1,878,975)	-	-
Manager and administrative fees	(56,757)	(2,452,959)	-	(2,509,716)
Reclassification	-	(3,439,847)	3,439,847	-
Other changes	-	818,029	1,649,111	2,467,140
Balance, June 30, 2017	<u>\$ 7,990,348</u>	<u>\$ 49,190,258</u>	<u>\$ 215,850,453</u>	<u>\$ 273,031,059</u>

NOTES TO FINANCIAL STATEMENTS

Fund with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were \$17,357 and \$189,817, as of June 30, 2018 and 2017, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that were deemed prudent by the Foundation's governing board.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for donor-specified periods as well as board-designated funds.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current year (interest and dividends). With consultation from its investment consultant, the Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints. The Foundation's governing board meets at least quarterly and more often, if needed, to discuss investment matters to ensure the best possible return, consistent with the preservation of principal, is achieved.

Spending Policy

The Foundation Board has adopted a spending policy that makes a distribution based on the weighted average method, and new endowments are restricted from having a payout for one year. For fiscal year 2018, the distribution method uses a calculation with 40% based on a 4.0% spending rate of the December market value, and 60% based on the prior year distribution with an inflation adjustment increase of 2%.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors
University of Wyoming Foundation
Laramie, Wyoming

We have audited the financial statements of University of Wyoming Foundation as of and for the years ended June 30, 2018 and 2017, and have issued our report thereon dated October 17, 2018, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of investments held for the University of Wyoming is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Anton Collins Mitchell CP

Laramie, Wyoming
October 17, 2018

UNIVERSITY OF WYOMING FOUNDATION

**SCHEDULE OF INVESTMENTS HELD
FOR THE UNIVERSITY OF WYOMING**

For the Year Ended June 30, 2018

	<u>Beginning of Year Balance</u>	<u>Additions (Redemptions)</u>	<u>Transfers to UW</u>	<u>Investment Return</u>	<u>Fees</u>	<u>End of Year Balance</u>
Cowboy Joe Club	\$ 903,844	\$ 27,768	\$ (25,330)	\$ 41,026	\$ (1,971)	\$ 945,337
UW - State Match	133,067,363	3,895,325	(16,263,861)	7,127,460	(93,405)	127,732,882
UW - Endowment	<u>85,062,075</u>	<u>11,168,405</u>	<u>(1,698,278)</u>	<u>7,406,262</u>	<u>(255)</u>	<u>101,938,209</u>
	<u>\$ 219,033,282</u>	<u>\$ 15,091,498</u>	<u>\$(17,987,469)</u>	<u>\$ 14,574,748</u>	<u>\$ (95,631)</u>	<u>\$ 230,616,428</u>